

THE TORONTO STOCK EXCHANGE

30/3/72

FILING STATEMENT NO. 1827

FILED, MARCH 30, 1972.

file
 QUEBEC STURGEON RIVER MINES LIMITED

Full corporate name of Company

Incorporated under the laws of Ontario by Letters Patent dated August 22, 1934 as amended by Supplementary Letters Patent on two occasions dated respectively August 18, 1955 and June 4, 1964.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953 (Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.

(a) Change in Control

The Coniagas Mines, Limited and its wholly owned subsidiary, Coniagas Reduction Company Limited, (hereinafter called "Coniagas"), owns 950,013 shares out of 2,461,113 issued shares. By a series of agreements, all dated March 16, 1972, George Warren Armstrong, (the "Purchaser") of R. R. #2, Orono, Ontario, agreed to buy from certain shareholders of Coniagas 573,329 shares. The purchases are subject to certain conditions including the filing of a Filing Statement by the corporation. The Purchaser also has options to buy not less than 284,000 shares of Coniagas exercisable on or before March 31, 1973.

(b) Change in Management

Upon completion of the purchase of shares of Coniagas referred to above, some new Directors and Officers will be elected and/or appointed as set out below.

2. Head office address and any other office address.

Suite 401, 25 Adelaide Street West, Toronto, Ontario.

3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.

The proposed Officers and Directors are:

President and Director:- Harold Pullen Coplan, 88 Albert Street, Ottawa, Ontario; Retired, privately employed for more than 5 years.

Vice-President of Exploration and Director:- Orville Alexander Seeber, P. Eng., 35 Widdicombe Hill, Weston, Ontario; Consulting Geologist, self-employed since February 29, 1972 and prior to that Vice-President of Exploration, Northgate Exploration Limited since January 1, 1969, and previously at M. J. Boylen Engineering Services for more than 2 years.

Director:- Philip Edward Boylen, 235 Warren Road, Toronto, Ontario; Broker, Draper Dobie & Co. Ltd., for more than 5 years.

Director:- L. Jules Gregoire, 90 Maurice Street, Hull, Quebec; Civil Engineer, Partner, L. J. Gregoire and Company, for more than 5 years.

.....con't on page 2.

3. (Con't)	<u>Director:-</u> H. D. Lee Snelling, Prescott Highway, Ottawa, Ontario; President, Prestech Associates Limited, for more than 5 years. <u>Treasurer:-</u> James Hyde Morlock, Q.C., 1 Douglas Crescent, Toronto, Ontario; Solicitor, Morlock, Geisler, Burgess, Macdonald since May 1, 1971. Prior to that date self-employed for 1 year and with Lash, Johnston, Sheard & Pringle for more than 4 years. <u>Secretary:-</u> George Warren Armstrong, R. R. #2, Orono, Ontario; Solicitor, self-employed and for more than 5 years prior to December 15, 1971, the Secretary of Northgate Exploration Limited. <u>Assistant Secretary-Treasurer:-</u> David Wilfred Gordon, 51 Alexander Street, Toronto, Ontario; Corporate Officer, an officer with this and other companies for more than the past 5 years. <u>Present Officers and Directors are:</u> <u>President and Director:-</u> Philip E. Boylen. <u>Managing Director and Director:-</u> David W. Gordon. <u>Vice-President and Director:-</u> A. J. Bendall. <u>Secretary-Treasurer:-</u> George D. Pattison. <u>Director:-</u> R. D. A. Massie. <u>Director:-</u> David W. Knight.
4. Share capitalization showing authorized and issued and outstanding capital.	<u>Authorized:-</u> 5,000,000 common shares of the par value of \$1.00 each; <u>Issued:-</u> 2,461,113, all as fully paid.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	None.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	None.
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	None.
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The corporation plans to continue to be active in mining exploration.
10. Brief statement of company's chief development work during past year.	The corporation maintained its properties in good standing.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Not applicable.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	Not applicable

R. R. #2,
Orono, Ontario,
April 5, 1972.

The Toronto Stock Exchange,
234 Bay Street,
Toronto, Ontario.

Attention: Mr. D. Anthony

Dear Sirs: Quebec Sturgeon River Mines Limited

I have examined the Filing Statement of the above corporation dated March 28, 1972, and I am the person referred to as the purchaser in Item 1 therein. On the completion of the purchase of the shares referred to in such Item, there will be a change in certain of the officers and directors of the corporation and consequently the control of the corporation.

The new management has no specific plans for changes or acquisitions by the corporation, but expects that the corporation will continue actively in the business of mining exploration.

I would advise that I will use my best efforts to cause the corporation to give notice of each proposed material change in its business or affairs prior to implementation thereof.

Yours truly,

GWA:bh

George W. Armstrong.

March 28, 1972

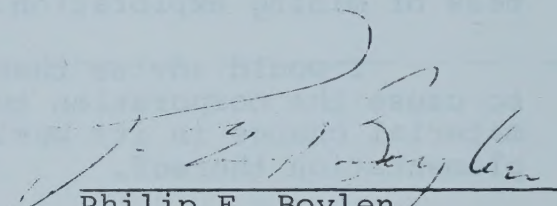
Toronto Stock Exchange,
234 Bay Street,
Toronto, Ontario.

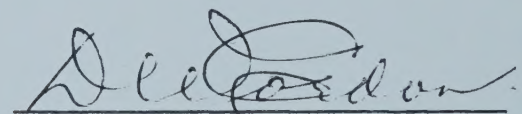
Dear Sirs: Quebec Sturgeon River Mines Limited

The undersigned are directors of the above corporation and we today signed an unaudited balance sheet of the corporation for the fiscal year ended December 31, 1971, which balance sheet was submitted with a Filing Statement of the corporation, dated this date.

There have been no material changes in any of the items on the balance sheet to date.

Yours truly,


Philip E. Boylen


David W. Gordon

FINANCIAL STATEMENTS

LOFTUS A. ALLEN & COMPANY

CHARTERED ACCOUNTANTS

SUITE 1910 - P.O. BOX 151
TORONTO DOMINION TOWER
TORONTO-DOMINION CENTRE
TORONTO 111, CANADA

TELEPHONE 363-8348
AREA CODE 416

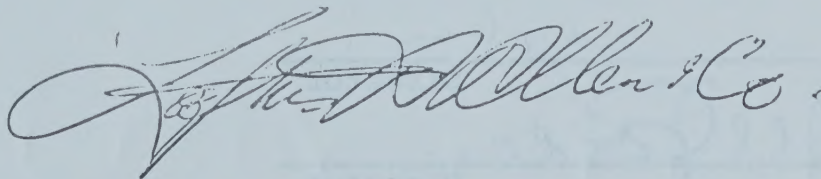
ACCOUNTANTS' COMMENTS

The accompanying balance sheet of

QUEBEC STURGEON RIVER MINES LIMITED

as at December 31, 1971 and the statements of retained earnings, preproduction and deferred development expenditures and source and application of funds for the year then ended have been prepared by us from the books and records of the company and from information given to us.

We have not completed our audit of the accounts and accordingly are not in a position to express an opinion on the financial statements.



Toronto, Ontario,
March 24, 1972.

Chartered Accountants

QUEBEC STURGEON RIVER MINES LIMITED
(Incorporated under the Laws of Ontario)

BALANCE SHEET

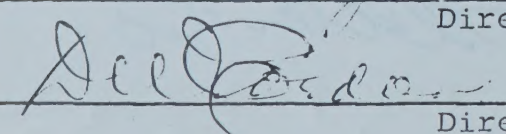
AS AT DECEMBER 31, 1971
(with comparative figures for 1970)

	1971	1970
ASSETS		
Current Assets		
Cash	\$ 6,924	\$ 1,600
Short term notes receivable plus accrued interest	71,346	75,853
Accounts receivable	<u>-</u>	<u>2,765</u>
	<u>\$ 78,270</u>	<u>\$ 80,218</u>
Investments in other mining companies - at cost (Note 1)	<u>\$1,315,378</u>	<u>\$1,315,378</u>
Mining Properties and Fixed Assets		
Fixed Assets - at cost (Note 4)	\$ 59,881	\$ 59,901
Payments under an agreement to purchase mining properties (Note 2)	<u>72,998</u>	<u>75,070</u>
	<u>\$ 132,879</u>	<u>\$ 134,971</u>
Deferred Assets		
Preproduction and deferred development expenditures	<u>\$ 634,565</u>	<u>\$ 645,487</u>
	<u>\$2,161,092</u>	<u>\$2,176,054</u>

Approved on behalf of the Board:



Director



Director

1971

1970

LIABILITIES

Current Liabilities

Accounts payable and
accrued liabilities

\$ 2,609

\$ 1,982

Shareholders' Equity

Capital

Authorized

5,000,000 Common shares

of \$1 par value \$5,000,000

Issued

2,461,113 Common shares

\$2,461,113

\$2,461,113

Less: Discount thereon

1,617,5531,617,553

\$ 843,560

\$ 843,560

Contributed Surplus (Note 3)

1,037,818

1,037,818

Retained Earnings

277,105292,694\$2,158,483\$2,174,072\$2,161,092\$2,176,054

The attached notes form an integral
part of these financial statements.

Accountants' comments attached.

QUEBEC STURGEON RIVER MINES LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1971

1. INVESTMENTS IN OTHER MINING COMPANIES

Shares	Cost	
	1971	1970
294,938 shares - Beauce Placer Mining Company Limited	\$ 38,481	\$ 38,481
10,000 shares - First Maritimes Mining Corporation Limited	120,480	120,480
375,000 shares - Millstream Mines Limited - escrowed	981,417	981,417
Notes Receivable		
5% Unsecured, deferred subordinated notes of Beauce Placer Mining Company Limited	175,000	175,000
	<u>\$1,315,378</u>	<u>\$1,315,378</u>

The notes of Beauce Placer Mining Company Limited have been in default since November 30, 1965 and mining operations were suspended in 1966.

Only the shares of First Maritimes Mining Corp. Ltd. and Beauce Placer Mining Company Limited have a quoted market value (1971-\$9,448, 1970-\$19,448) and no provision has been made for possible losses which may eventually arise from the long-term investments in shares and notes.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1971

2. MINING PROPERTIES

In the Province of Quebec

The exclusive right to explore, develop and carry on mining operations on 19 claims and 1 mining concession in the Bachelor Lake Area of the Township of Lesueur, District of Abitibi East under an agreement which provides for a royalty of 7% of the monthly mint returns from gold and silver with a quarterly minimum of \$4,500 and an aggregate maximum of \$275,000. On payment of the aggregate maximum of \$275,000, the development licenses covering the claims, concession and other title papers become the property of Quebec Sturgeon River Mines Limited.

After paying minimum royalties totaling \$67,500, further payments were suspended from December 28, 1965 until such time as a power line is extended to the claims by the Quebec Hydro Electric Commission or alternatively the reconsideration of the moratorium by the vendor at two-year intervals. The next moratorium termination date open to the vendor would be December 28, 1973 subject to three months' prior notice.

The company was required to bring the above-noted mining concession into production during 1966 under the prevailing regulations and as this did not occur, title is held subject to the pleasure of the Provincial authorities.

QUEBEC STURGEON RIVER MINES LIMITED

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1971

	1971	1970
2. MINING PROPERTIES - Continued		
In the Province of Quebec		
Minimum royalty payments made	\$67,500	\$67,500
Other costs	5,498	5,498
In the Province of Newfoundland		
4 Claims in Gull Pond Area (Allowed to lapse in 1971)		
Staking costs	<u>-</u>	<u>2,072</u>
	<u>\$72,998</u>	<u>\$75,070</u>

3. CONTRIBUTED SURPLUS

In 1964 there was a capital reorganization which resulted in a decrease of \$1,417,409 in the net book value of the capital stock and a transfer of this amount to contributed surplus. At the same time, mining properties and development expenses totalling \$379,591 were written off reducing this surplus to the current balance of \$1,037,818.

	1971	1970
4. FIXED ASSETS - AT COST		
Structures and roads	<u>\$59,881</u>	<u>\$59,901</u>

It is the company's policy not to provide depreciation on fixed assets until properties are brought into production or abandoned. Development at this property was suspended in 1963.

5. MISCELLANEOUS

The total remuneration paid to directors and senior officers was \$1,400 (1970 - \$400).

QUEBEC STURGEON RIVER MINES LIMITED

STATEMENT OF PREPRODUCTION AND
DEFERRED DEVELOPMENT EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 1971
(with comparative figures for 1970)

	1971	1970
Mining Properties in Quebec		
Balance - beginning of year	\$633,548	\$503,188
Loss on disposal of fixed assets	-	128,837
Taxes and license fees	766	767
Other	251	-
Insurance	-	756
	<u>-</u>	<u>756</u>
Balance - end of year	<u>\$634,565</u>	<u>\$633,548</u>
Mining Claims in Newfoundland		
Balance - beginning of year	\$ 11,939	\$ 10,385
Expenditures during year	-	1,554
	<u>\$ 11,939</u>	<u>\$ 11,939</u>
Expenditures written off when claims allowed to lapse	11,939	-
	<u>\$ -</u>	<u>\$ 11,939</u>
Balance - end of year	<u>\$634,565</u>	<u>\$645,487</u>

STATEMENT OF RETAINED EARNINGS

FOR THE YEAR ENDED DECEMBER 31, 1971
(with comparative figures for 1970)

	1971	1970
Balance - beginning of year	\$292,694	\$292,009
Add: Interest earned	4,652	6,544
	<u>\$297,346</u>	<u>\$298,553</u>
Deduct:		
Administrative and general expenses	\$ 6,230	\$ 5,859
Staking costs of mining claims allowed to lapse	2,072	-
Preproduction and development ex- penditures on claims allowed to lapse	11,939	-
	<u>\$ 20,241</u>	<u>\$ 5,859</u>
Balance - end of year	<u>\$277,105</u>	<u>\$292,694</u>

QUEBEC STURGEON RIVER MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED DECEMBER 31, 1971

(with comparative figures for 1970)

	1971	1970
SOURCE OF FUNDS		
Interest earned	\$ 4,652	\$ 6,544
Sale of fixed assets	<u>20</u>	<u>4,000</u>
	<u>\$ 4,672</u>	<u>\$10,544</u>
APPLICATION OF FUNDS		
Mining claim expenditures	\$ -	\$ 5
Mining development and prospecting expenses	1,017	3,077
Administrative and general expenses	<u>6,230</u>	<u>5,859</u>
	<u>\$ 7,247</u>	<u>\$ 8,941</u>
Decrease (Increase) in working capital	<u>\$ 2,575</u>	<u>\$(1,603)</u>
Working Capital		
Beginning of year	\$78,236	\$76,633
Decrease (Increase)	<u>2,575</u>	<u>(1,603)</u>
End of year	<u>\$75,661</u>	<u>\$78,236</u>

13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None.																												
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	Not applicable.																												
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	According to the records of the share registrar and transfer agent of the Corporation: <table><tr><td><u>Registered Owner:</u></td><td><u>Number of Shares:</u></td></tr><tr><td>The Coniagas Mines, Ltd. Suite 401, 25 Adelaide St. West, Toronto 105, Ontario.</td><td>946,256</td></tr><tr><td>Draper Dobie & Company Ltd. 25 Adelaide Street West, Toronto 105, Ontario.</td><td>89,850</td></tr><tr><td>John C. L. Allen Ltd., 112 King Street West, Toronto, Ontario.</td><td>80,723</td></tr><tr><td>Voisin Development Ltd., 301 Village Road, Kitchener, Ontario.</td><td>80,000</td></tr><tr><td>Pitfield McKay Ross & Co., P. O. Box 185, Toronto-Dominion Centre, Toronto 111, Ontario.</td><td>67,604</td></tr></table> Shares registered in the name of "The Coniagas Mines, Ltd." are beneficially owned by it. The Corporation is not aware of the beneficial owners of the shares registered in the names of the other four shareholders listed above.	<u>Registered Owner:</u>	<u>Number of Shares:</u>	The Coniagas Mines, Ltd. Suite 401, 25 Adelaide St. West, Toronto 105, Ontario.	946,256	Draper Dobie & Company Ltd. 25 Adelaide Street West, Toronto 105, Ontario.	89,850	John C. L. Allen Ltd., 112 King Street West, Toronto, Ontario.	80,723	Voisin Development Ltd., 301 Village Road, Kitchener, Ontario.	80,000	Pitfield McKay Ross & Co., P. O. Box 185, Toronto-Dominion Centre, Toronto 111, Ontario.	67,604																
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Pitfield McKay Ross & Co., P. O. Box 185, Toronto-Dominion Centre, Toronto 111, Ontario.	67,604																												
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	Upon completion of the purchases referred to in Item 1 above, George Warren Armstrong and Philip Edward Boylen, personally or as a trustee, may together control the corporation.																												
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	QUEBEC STURGEON RIVER MINES LIMITED Statement of Investments As at March 15, 1972 <table><tr><th><u>UNITS</u></th><th><u>SECURITY</u></th><th><u>BOOK VALUE</u></th><th><u>MAR</u> <u>UNIT</u></th></tr><tr><td>294,938</td><td>Beauce Placer Mining Company</td><td>\$ 38,481.40</td><td>.01</td></tr><tr><td>10,000</td><td>First Maritime Mining Company</td><td>120,480.00</td><td>.75</td></tr><tr><td>175,000</td><td>Beauce Placer Mining Company 5% unsecured subordinate notes due November 1965</td><td>175,000.00</td><td>Nil</td></tr><tr><td>375,000</td><td>Millstream Mines Ltd. (escrowed)</td><td>981,417.25</td><td>Nil</td></tr><tr><td>70,000</td><td>Traders Group Ltd. 5.448% June 5/72</td><td>70,000.00</td><td>100.00</td></tr><tr><td></td><td>Bank of Nova Scotia (Savings) 4%</td><td>5,143.95</td><td></td></tr></table>	<u>UNITS</u>	<u>SECURITY</u>	<u>BOOK VALUE</u>	<u>MAR</u> <u>UNIT</u>	294,938	Beauce Placer Mining Company	\$ 38,481.40	.01	10,000	First Maritime Mining Company	120,480.00	.75	175,000	Beauce Placer Mining Company 5% unsecured subordinate notes due November 1965	175,000.00	Nil	375,000	Millstream Mines Ltd. (escrowed)	981,417.25	Nil	70,000	Traders Group Ltd. 5.448% June 5/72	70,000.00	100.00		Bank of Nova Scotia (Savings) 4%	5,143.95	
<u>UNITS</u>	<u>SECURITY</u>	<u>BOOK VALUE</u>	<u>MAR</u> <u>UNIT</u>																										
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	Bank of Nova Scotia (Savings) 4%	5,143.95																											

18. Brief statement of any lawsuits pending or in process against company or its properties.	None.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	None.
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts. No shares are in the course of distribution to the public.

DATED March 28, 1972.

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.) The undersigned are relying on statements made by QUEBEC STURGEON RIVER MINES LIMITED
 George Warren Armstrong Per: [Signature] CORPORATE
 as to the proposed officers SEAL
 and directors and future plans. Per: [Signature]

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

TORONTO STOCK EXCHANGE

15/6/72

AMENDING FILING STATEMENT NO. 379
FILED, JUNE 15, 1972.

File

QUEBEC STURGEON RIVER MINES LIMITED
Full corporate name of Company

AMENDING FILING STATEMENT

(To be filed with respect to any change in a Filing Statement filed within a period of six months)

To be read in conjunction with Filing Statement No. 1927 dated March 30, 1972.

Brief statement of the material change in the affairs of the company in respect of which this amending filing statement is filed.	1. Change in the par value of shares with a par value of \$1 each to shares without par value - see Item 4 below. 2. Implementation of Employees and Officers Stock Option Plan covering 125,000 previously unissued shares - see Item 6 below. 3. Private placement of 650,000 shares at 17¢ per share - see Item 6 below. 4. Re-activation of Corporation, employment of geological staff to enable Corporation to re-assess existing prospects, to pursue exploration programs and acquire mining prospects - see Item 9 below. 5. 95% share ownership in a joint exploration corporation to be incorporated to acquire 35 mining leases in the Townships of Irwin, Walters and Pifher, being the original Sturgeon River mine property - see Items 11 and 12 below. 6. Participation in Coniagas Research Inc., recently incorporated, which has acquired certain technical inventions and an atomic absorption laboratory - see Item 20 below. 7. Appointment of Crown Trust Company, Toronto, as transfer agent and registrar of the Corporation's shares, such appointment to take effect as at July 1, 1972 - see Item 20 below. 8. All the principal officers and directors of the Corporation re-elected or re-appointed at meetings of shareholders and directors.
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4. Share capitalization showing authorized and issued and outstanding capital.	By amendment of Articles of Incorporation, dated June 16, 1972, the issued and unissued shares of the Corporation were changed from the par value of \$1.00 each to shares without par value.
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	See Schedule "A" on pages 3 & 4.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	It is intended to retain the services of competent qualified staff and acquire the necessary facilities to re-activate the Corporation and to carry out active exploration and development programs whether solely on its own account or in concert with others. The Corporation has retained the services of two full time and two part time geologists who are re-assessing existing properties held by the Corporation, as well as considering a program to be carried out on the 35 mining leases being acquired from The Coniagas Mines, Limited. The geological staff is also engaged in researching and investigating a number of gold and other prospects. Reference is also made to Item 20 as to other development plans and amounts to be expended thereon.
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	See Schedule "B" on page 5.
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	See Schedule "B" on page 5.

SCHEDULE "A"

PRIVATE PLACEMENT OF SHARES

By agreement concluded May 9, 1972, as confirmed by letter agreement between the Corporation and Mildura Investments Limited, c/o Wobaco Trust Limited, Box 100, Shirley Street, Nassau, N.P., Bahamas, (herein sometimes called "Mildura"), as amended, Mildura agreed to purchase 650,000 previously unissued shares of the Corporation at the price of 17¢ per share. The agreement provides the Corporation amend its Articles of Incorporation changing its shares from the par value of \$1.00 each to shares without par value and the Corporation obtain all governmental and regulatory authorities approval to the proposed sale including, without limitation, The Toronto Stock Exchange.

Mildura has acknowledged that,

- (i) it will comply with all governmental and regulatory authorities requirements,
- (ii) it is purchasing the 650,000 previously unissued shares of the Corporation solely for investment and not with a view to resale or distribution, and
- (iii) no sale of the shares shall be made within six months from the date of purchase and thereafter if any sale of the shares is to be made in the Province of Ontario, such shares shall only be sold in accordance with and upon compliance with the provisions of The Securities Act and any other then applicable rules and regulations.

Mildura has advised it does not now own any shares of the Corporation.

Under the terms of the agreement the purchase price shall be payable forthwith upon completion of all required filings by the parties and the amendment of the Articles of Incorporation, changing the shares of the Corporation to shares without par value, has been effected.

EMPLOYEES AND OFFICERS STOCK OPTION PLAN

The Employees and Officers Stock Option Plan was adopted by the directors and approved by the shareholders at the Annual and General Meeting of Shareholders held on June 16, 1972. The Plan provides for 125,000 previously unissued shares to be reserved and the directors may grant options on these shares to persons who are employees or officers of the Corporation. Such options, subject to certain rights in the event of death, may only be exercisable during the period such persons are employees or officers of the Corporation. The prior approval of The Toronto Stock Exchange must be obtained before granting options to persons or officers who are not full time employees of the Corporation. The number of shares which may be optioned to an eligible person shall not exceed 25,000 and the term shall not be for more than 12 months. The purchase price to be paid on the exercise of options will be as determined by the directors but in no event shall it be less than the maximum discount from the market price as may be permitted by The Toronto Stock Exchange.

By resolution of the directors at a meeting held on June 16, 1972, the following options, certain of which are subject to the approval of The Toronto Stock Exchange, were approved: H. P. Coplan, the President of the Corporation, O. A. Seeber, Vice-President of Exploration, options on 25,000 shares; P. R. Wilson, a geologist employed by the Corporation, 10,000 shares, H. Michie, a consulting geologist who has been retained by the Corporation on a full time basis, 2,500 shares for each three-month period of service up to one year, and three members of the secretarial staff of the Corporation, 2,000 shares each. In accordance with the terms of the Plan, the exercise price was fixed at 31.5¢ per share.

All options are non-assignable and shall terminate in the event such person shall cease to be employed or shall cease to be an officer of the Corporation, subject only to certain rights in the event of death.

PROPERTY ACQUISITION

The Corporation in the year 1967 conveyed, pursuant to agreements made with The Coniagas Mines, Limited, 35 mining leases located in the Townships of Irwin, Walters and Pifher, District of Thunder Bay, Ontario, in consideration for \$25,000 and the forgiveness of certain advances, the total cost to The Coniagas Mines, Limited being \$282,002.

Pursuant to an agreement made as of the 2nd day of May, 1972, between the Corporation and The Coniagas Mines, Limited, the Corporation acquired a 15% undivided interest in the 35 mining leases in consideration for 200,000 previously unissued shares of the Corporation. The said agreement provides that the parties thereto will cause a joint exploration corporation to be incorporated and they will convey the 35 mining leases to such corporation for an amount equal to the original cost to The Coniagas Mines, Limited being \$282,002, such funds to be advanced by loan, without interest, in the same ratio as the then ownership is in the said 35 mining leases. The Corporation will own 95% of the shares of the joint exploration corporation and The Coniagas Mines, Limited will own 5%.

The agreement between the Corporation and The Coniagas Mines, Limited, which is subject to the approval of the shareholders of both corporations, has been approved by the shareholders of the Corporation and will be considered at a forthcoming meeting of the shareholders of The Coniagas Mines, Limited.

FINANCIAL STATEMENTS

QUEBEC STURGEON RIVER MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the five months ended May 31, 1972

(UNAUDITED)

Source of funds

Interest earned	<u>\$ 1,694</u>
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Application of funds

Mining development and prospecting expenses	7,258
Administrative and general expenses	<u>4,510</u>
	<u>11,768</u>

Decrease in working capital	<u>\$10,074</u>
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Working capital

Beginning of year	\$75,661
Decrease	<u>10,074</u>
End of period	<u>\$65,587</u>

Approved on behalf of the Board:

Director

D. A. Secker

Director

P. E. Boyle

June 9, 1972

The Toronto Stock Exchange,
234 Bay Street,
Toronto, Ontario.

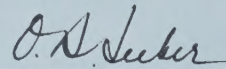
Dear Sirs:

Re: Quebec Sturgeon River Mines Limited

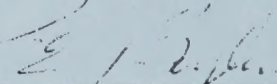
The undersigned are directors of the above Corporation and we today signed a Statement of Source and Application of Funds for the 5 month period ended May 31, 1972, which Statement of Source and Application of Funds was submitted with the Amending Filing Statement of the Corporation dated this date.

There have been no material changes in any of the items set out in the Statement of Source and Application of Funds to date, or in the audited balance sheet of the Corporation as at December 31, 1971, except as may be disclosed in the Filing Statement and Amending Filing Statement of the Corporation.

Yours truly,



Director



Director

20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	The Corporation intends to participate in the financing of a recently incorporated corporation, namely Coniagas Research Inc., with The Coniagas Mines, Limited owning 75% of the outstanding shares and the Corporation owning the remaining 25%. It is estimated that the Corporation may advance up to \$10,000 to Coniagas Research Inc. Coniagas Research Inc., intends to pursue the marketing of certain technical inventions purchased from an inventor and has also purchased an atomic absorption laboratory for geo-chemical analysis of trace elements. <u>CHANGE OF TRANSFER AGENT AND REGISTRAR</u> By resolution of the board of directors, the Crown Trust Company, Toronto, Ontario, has been appointed Transfer Agent and Registrar for the shares of the Corporation, such appointment to take effect as at July 1, 1972. The appointment of the Guaranty Trust Company of Canada, Toronto, Ontario, the present Transfer Agent and Registrar, will terminate as at that date. <u>RE-ELECTION OF DIRECTORS</u> All directors were re-elected at the annual and general meeting of shareholders held today and all officers re-appointed or re-elected with the exception of D. W. Gordon who held the office of Assistant Secretary-Treasurer. There are no shares of the Corporation in the course of primary distribution to the parties at the present time.
Statement of any other material facts and if none, so state.	There are no other material facts.

DATED June 16, 1972

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"O. A. Seeber"

"P. E. Boylen"

QUEBEC STURGEON RIVER MINES LIMITED
CORPORATE
SEAL

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)